

Agricultural Situation

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HOG PRODUCTION ON INCREASE

The best hog year since 1954 is about to end. During 1958 prices have been above \$20 per hundredweight as often as below, and the year's average received by farmers will be about that figure. This will be the highest average since 1954. Cash receipts from hogs also will be the largest since that year.

Prices have improved chiefly because of smaller pork production. There has been a small assist, also, from the smaller supplies of beef.

Past History

When hog prices collapsed to \$10.60 per hundredweight in the fall of 1955, producers were jolted so much that they cut back farrowings 8 percent the following spring. They reduced 5 percent more in the spring of 1957. Farrowings were stepped up 3 percent this past spring, but disease losses held the increase in pigs saved to only 2 percent. The 1958 spring pig crop was still 8.5 percent below that of 1955.

As the population has continued to grow, the supply of pork available per person has dropped rather sharply. Consumption per person was 67 pounds in both 1955 and 1956. In 1958 it will total only about 60 pounds.

Prices of both pork and live hogs respond fast to changes in supply. The cutback in 1958 supply therefore was sufficient to step up prices a good deal.

While prices of hogs advanced in 1958, prices of corn dropped materially. The hog-corn price ratio (U. S. farm basis) climbed to 20.6 in February. Never before, since records were begun in 1909, had the ratio exceeded 20.

Such a ratio strongly stimulates the production of hogs. Also pointing to larger hog production is the present position of the hog cycle. Increasingly, hog production has taken the shape of 4- to 5-year cycles. After two years of reduced production, the stage has been set for an increase.

Intentions

The increase has already begun. In June producers planned for 13 percent more sows to farrow this fall than last. A 9-State report in September indicated that the intentions were being fully met, and even exceeded slightly.

Hogs from the fall pig crop will begin to arrive at markets early in 1959. When they do, market receipts will show a very sizable gain, the first since 1955.

Normally hog prices improve seasonally from their late-fall low through most of the following spring and summer. Part of this period usually sets the year's high. Prices are less likely to advance much this coming year. They may remain near their fall low through the winter and early spring. They will likely rise to a summer peak, but it, and the season average, will be appreciably less than in 1958.

Pigs

The uptrend in pig crops will continue in 1959. The 1959 spring crop will be considerably larger than this year's, and the fall crop next year will probably be increased too.

Prices next fall will be the lowest since the fall of 1955. They are in some danger of dropping near that low. Whether they do so depends on how much producers increase their spring farrowings.

In September farmers in nine States reported that they planned to have 20 percent more sows farrow in December-February this winter than last. This is a large gain. In recent years more spring farrowings have been moved up to early months. The 20 percent rise for those months this winter could mean a continuation of this trend, rather than a big total gain.

If the total spring crop should be up not 20 percent but only by moderate degree, prices next fall would be considerably lower than this fall but not severely depressed. They would remain above the low point of 1955 by an appreciable margin, for with a moderate increase, pork supplies would not be as great as in 1955. Only if the 1959 spring pig crop should rise close to 20 percent would a repetition of 1955-56 pork supplies per person occur.

Moreover, a moderate increase in hogs would merely return the hog-corn ratio to about normal. Over the years the ratio has averaged about 12 to 13. Any change in the price of corn has eventually brought about such a change in hog production as to restore that relationship. In large measure that is what is happening now.

So long as corn supplies are extremely abundant, and corn prices in the range of recent years, production of hogs can be expected to be larger than it has been, and prices lower.

The danger for 1959—and it is a serious danger—lies in the possibility that hog production might expand too much.

Many times in the past, when an expansion got underway it proceeded too far. It overshot the mark. This is characteristic of cycles. Cattle numbers have long swung up and down too far, and the cycle in hog production threatens to take on the same pattern. Producers would have much to gain by taking all steps possible to avoid such wide swings.

To summarize, the large increase in prospect for winter farrowings is not so alarming if it merely reflects a further shift to early farrowing dates. If March-May farrowings also should increase by a large amount, the consequences would be much more serious. In this event prices could decline low indeed next fall.

The same responsiveness to supply that gave rise to higher prices for the smaller supply in 1958 could work the other way in the event of over-expansion in 1959. This possibility is worth the earnest attention of hog producers.

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WHAT KINDS OF APPLES ARE THE MOST POPULAR?

Mythology tells us that Hippomenes won a race with the beautiful Atalanta by dropping three golden apples in her path. By doing so, he won her hand in marriage.

It's a good story, but today we would probably want to know what variety of apple he used. And if Hippomenes had lived today, we probably could have found out by using the apple variety estimates provided by the Agricultural Estimates Division, Agricultural Marketing Service, U. S. Department of Agriculture.

Three Leaders

There are 3 varieties of apples, the Crop Reporting Board says, which—although not golden in color—usually account for more than two-fifths of the annual apple production in the United States.

First is Delicious. This apple, which averages 21 percent of the U. S. production, is an easy leader every year. It is grown in significant quantities in all of the 35 commercial apple States.

Vying for second place are McIntosh and Winesap. Each averages about 10 percent of the U. S. crop. McIntosh has come in second in 7 of the last 8 years. In 6 of the preceding 8 years, Winesap was second.

Rome Beauty, Jonathan, York Imperial, and Stayman complete the list of the 7 leading varieties which, together, supply 2 out of every 3 apples consumed in the U. S. today. However, there are 11 other apple varieties sufficiently important, nationally, to require Crop Reporting Board estimates.

Romes and Jonathans have been close contenders for fourth place with Romes winning out during the last 8 years. Yorks and Staymans rank sixth and seventh, respectively, in the production averages.

The 11 other varieties in order of

average production are: Yellow Newton (or Albemarle Pippin), Baldwin, Golden Delicious, Gravenstein, Rhode Island Greening, Cortland, Grimes Golden, Wealthy, Northern Spy, Ben Davis (and Gano), and Black Twig (or Paragon).

The apple variety estimates are designed to help the entire apple industry. Growers can use the information to market their crop in orderly fashion.

To increase the timeliness and usefulness of the report, the Crop Reporting Board last year moved the release date from December to November. The exact date this year is November 21.

To meet this deadline, the various State agricultural statisticians will get the apple variety questionnaires into the hands of thousands of apple growers the last week of October.

If you receive one of these questionnaires, will you please fill it out and return it not later than November 1?

The Crop Reporting Board realizes that this is the busiest season for the apple grower. You may still be in the middle of harvesting. But you can serve yourself and other apple growers by filling out this questionnaire promptly and returning it promptly.

Current Crop

There will be a large crop this season. As of September 1, the Crop Reporting Board anticipated production of 127 million bushels. This would be 7 percent more than last year. It would be 17 percent above average.

With a crop this large, the apple industry urgently needs to do the most efficient marketing job possible. This means that the need for accurate information on production by varieties is greater than ever.

Irvin Holmes
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Nectarines Moving Up In Popularity Race

Nectarines, not so long ago an unknown product outside of California, are one of the few fresh fruits to increase consumption in recent years. Fresh consumption of most others has only held fairly steady or has even declined.

True, per capita consumption of nectarines in 1957, not quite half a pound, was much less than that of most other fresh fruits, but it's expected to increase as new trees begin to bear. In fact, consumption has doubled over the past few years.

The 1954 Census of Agriculture reported bearing nectarine trees in 37 States. Nectarines were reported harvested in 32 States that year. Over 99 percent of the volume harvested was in California where the fruit has long been grown commercially.

The Crop Reporting Board says that

California production increased from 9,700 tons in 1936 to 36,000 tons in 1957. Another large crop was harvested in 1958, although considerably under last year's figure.

California production has just about tripled since 1953 as a result of many young trees starting to bear and of older trees increasing bearing capacity. In 1957, moreover, nonbearing acreage considerably exceeded bearing acreage. This points to further sharp increases in production before too many years.

Only a small percentage of annual nectarine production is canned. Over the past few years, prices for fresh nectarines have averaged considerably above those for fresh peaches.

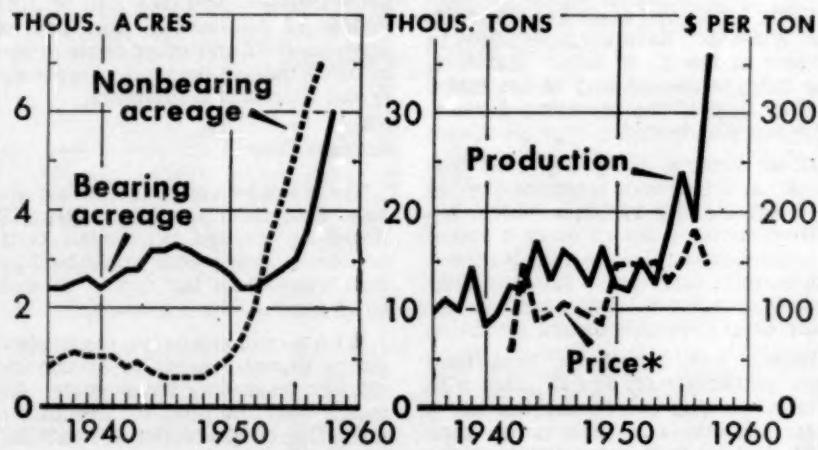
The nectarine is closely allied to the peach. However, the fruit is smooth-skinned, and the flesh has a distinctive aromatic flavor. Both nectarines and peaches have been known for over two thousand years.

Ben H. Pubols

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CALIFORNIA NECTARINES

Acreage, Production and Price



* SEASON-AVERAGE PRICE RECEIVED BY GROWERS. NOT AVAILABLE PRIOR TO 1942.

GROWING CHRISTMAS TREES: ANOTHER BIG BUSINESS

The Christmas tree industry is on the march. It's important in many States, but particularly in those bordering on Canada. Every one of these States, except North Dakota, harvests more than it can consume.

Most farmers with woodlots cut their own Christmas trees. Other people are not so fortunate. They buy their Yule trees—a great many of them from Christmas tree plantations—and thereby contribute to a multi-million-dollar industry.

Origin

More than two-thirds, about 28 million, of the trees used each year are grown in the United States; the remaining 12 million in Canada. Montana, by itself, produces 3.2 million, almost 11 percent of the U. S. total.

In 1955, about 87 percent of the domestic trees were cut from woodland and pastureland, and about 13 percent were harvested from Christmas-tree plantations. Judging from what figures are obtainable, the number harvested on plantations has been increasing since 1955.

Detailed information on this growing industry is available in one State, Pennsylvania, where a survey was made in 1957 by the U. S. and State Department of Agriculture.

The 1957 Pennsylvania inventory by species and ages is estimated to be more than 90 percent complete. It revealed more than 65 million Christmas trees in the State in various stages of growth. More than 12 million of these trees were planted in 1957. Significantly, less than half the Pennsylvania growers had trees of salable age.

Christmas trees are best grown in soils not so well adapted to cultivated crops. Indiana County had 23 percent of the State total. Production is also notable in Crawford County and Schuylkill County. These major areas

of production are all within 100 miles of large centers of population. In many cases, whole farms in these counties are now producing Christmas trees.

Over 45 million, or 70 percent, of the Pennsylvania Christmas trees are Scotch pines. They are popular largely because they grow rapidly and can hold needles after cutting. About 6 percent are Norway spruce; 5 percent, red pine; 5 percent, Douglas fir; and 4 percent, Austrian pine. But 34 species, in all, were revealed in the survey.

Reported sales of Pennsylvania-grown Christmas trees during the 1956 season totaled 1,045,000. Scotch pine accounted for 77 percent of these; Norway spruce for 8 percent; and red pine, 6 percent.

The age at which the different species are sold varies widely and depends primarily on the rate of growth. Scotch pine is most frequently sold at 7 years. Largest numbers of the other pines are sold 8 years after planting; spruces at 9 to 11 years. A large number of spruces, particularly blue spruce, are sold as live Christmas trees which may later be planted as ornamentals. Sizable percentages of Douglas fir sales ranged from 8 to 15 years.

New Plans

This 1957 survey provides a benchmark for current and future checks. Further information is being obtained on sales, plantings, and losses in order to keep the inventory current. This ground work completed, the Pennsylvania Crop Reporting Service hopes to be able to reveal trends on new plantings, removals, and sales, and, what is of even greater importance, to indicate future market supplies.

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NEW FARM ACT PROVISIONS OUTLINED FOR GROWERS

Here are major provisions of the Agricultural Act of 1958, passed by the Eighty-Fifth Congress just before adjournment.

Acreage allotments for cotton and rice in 1959 will be higher than they would be under existing law. Corn producers will decide by referendum on November 25 whether acreage allotments for corn will be continued. The new law also provides a greater degree of flexibility in the levels of price support for cotton and rice and a new method for determining the level of price support for corn.

Cotton

Acreage allotment is set at a minimum of 16 million, compared with 17.6 million in 1958. On the basis of present information, the 1959 cotton acreage allotment would probably have been in the neighborhood of only 13.5 million acres had it not been for the new law.

The law gives each cotton producer two choices for the 1959 and 1960 crops.

One is his regular allotment and price support as determined under sec. 101 of the Agricultural Act of 1949 (except that for the 1959 crop the level of support will not be less than 80 percent of parity). The other is an increase of not more than 40 percent in the grower's regular farm allotment with price support at 15 percent of parity less than the level determined for farmers who elect the other choice. The increase for 1959 has already been announced as 40 percent.

The Commodity Credit Corporation is directed to use a purchase program to support prices to producers who accept the first choice. CCC is also directed to offer cotton for sale for unrestricted use at not less than 10 percent above the lower price support made available to farmers who accept the second choice.

Beginning with the 1961 crop, farmers will receive the regular acreage allotment. Price support will be at such level as the U. S. Department of Agri-

culture determines within the following limits:

For the 1961 crop not more than 90 percent and not less than 70 percent of parity; after 1961 not more than 90 and not less than 65 percent of parity. The provision under which the minimum level of support is determined on the basis of the supply percentage is repealed effective with the 1961 crop.

Price support for cotton will be based on the average quality of the crop beginning with the 1961 crop. At present, price support is based on middling $\frac{7}{8}$ -inch cotton.

After 1960, the Act provides a minimum national marketing quota for cotton, equal to estimated domestic consumption and exports, less imports, with adjustment when necessary to assure the maintenance of adequate but not excessive stocks.

In making such adjustments, USDA may not reduce the marketing quota for any year below the larger of (1) estimated consumption and exports minus one million bales or (2) 10 million bales. In converting the national marketing quota to the national acreage allotment, the Act provides for the use of a 4-year rather than a 5-year average yield.

Beginning August 1, 1961 minimum prices for sales of CCC cotton for unrestricted use are increased to 115 percent of the current support price plus reasonable carrying charges. There is, however, provision for sales at the market price of an amount of cotton equal to the difference between the national marketing quota and domestic consumption plus exports.

Allotments

The act also includes provisions with respect to the national marketing quota for extra-long staple cotton, minimum farm allotments, method of determining the farm allotment, retention of surrendered acreage in the county, the cotton export program, and split grades.

Feed Grains

Producers in the commercial corn area, in a referendum to be conducted not later than December 15, will choose between the present program of acreage allotment and price supports and a new program.

The new plan eliminates acreage allotments and the commercial corn area. Price supports would be set at 90 percent of the average price received by farmers during the three preceding calendar years, but not less than 65 percent of parity.

Beginning with next year's crop, price support for oats, rye, barley, and grain sorghums will be at a level determined by USDA to be fair and reasonable in relation to price support for corn. USDA must consider the feed value in relation to corn and factors already specified in present law.

Price support becomes mandatory for these grains for the first time. Although in effect for a number of years, it has not been heretofore specifically required by law.

Rice

The minimum national and State acreage allotments now in effect are extended permanently. This means that the minimum national acreage allotment will continue to be around 1.6 million acres. The national acreage allotment determined in accordance with the supply formula for 1959 would have been less than one million acres.

Price support for rice, beginning with the 1959 crop, will be determined without regard to the supply percentage within these limits: For 1959 and 1960 crops, not less than 75 and not more than 90 percent of parity; for 1961, not less than 70 and not more than 90 percent of parity; after 1961, not less than 65 and not more than 90 percent of parity.

Wool

The National Wool Act is extended for three years until March 31, 1962, and use of 70 percent of the ad valorem duties on wool and wool products is

provided for. This is in addition to the use of 70 percent of the specific duties.

Other Provisions

The Act also sets up uniform procedure for transferring the allotment on a farm from which the owner is displaced by eminent domain proceedings. It provides for taking over by CCC of unredeemed non-recourse loan collateral without equity payments, and extension of a special milk program for military agencies and veterans' hospitals for three years until December 31, 1961.

Other items are donations of cotton for training programs and support for tung nuts at not less than 65 percent of parity in any year in which domestic production of tung oil will be less than the anticipated demand for such oil.

C. Kyle Randall
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DID YOU KNOW?

That farmers are raising 78 million turkeys this year, compared with 81 million last year? Of the 78 million, 66 million are heavy breeds and 12 million are light breeds.

In 1948, before the time of the light breeds, total turkeys raised numbered only about 32 million. Back in 1935, only 21 million were raised. Drop back to 1929, the year in which the U. S. Department of Agriculture began its series reports on turkeys, and the figure is only 18 million.

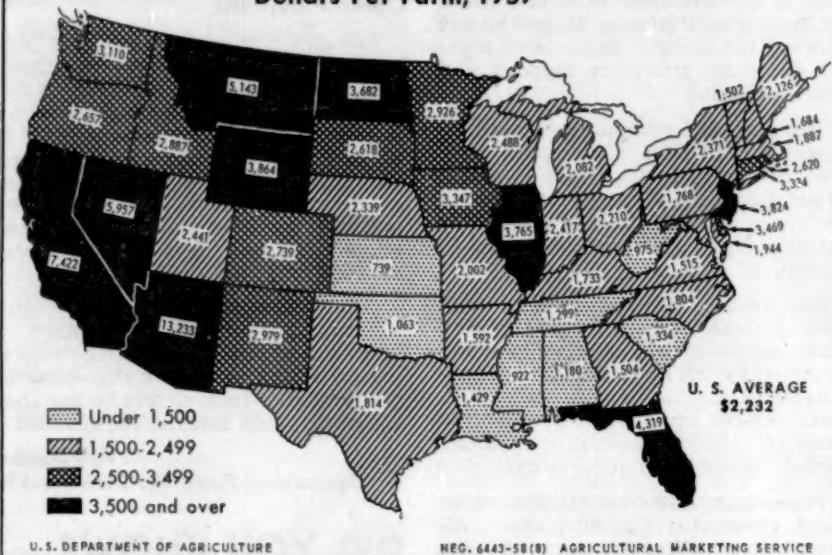
The turkey story is even more striking in terms of meat produced. In 1957 the figure was 1.4 billion pounds live weight, compared with only 574 million pounds in 1948, 298 million in 1935, and 239 million in 1929. Per capita consumption of turkeys has increased from 2.9 pounds in 1940 to 5.9 pounds in 1957.

For the consumer, increased turkey production has meant a larger number of better quality birds than ever before. They are available throughout the year.

Paul W. Smith
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REALIZED NET FARM INCOME

Dollars Per Farm, 1957



Farmers' realized net income in the first three quarters of 1958 is estimated at an annual rate of about \$13 billion. This is 19 percent more than in the same period of 1957.

The increase resulted primarily from higher average prices and increased marketings. Larger Soil Bank payments also helped. These 3 factors more than offset higher production expenses.

The seasonally adjusted annual rate of realized net income for the third quarter (July through September) is tentatively estimated at \$12.5 billion, 15 percent higher than a year earlier. This is based on preliminary estimates that cash receipts from marketings in July and August are about 8 percent higher than last year with prices averaging 2.5 percent above a year ago. It is assumed September will show the usual seasonal change.

In the first half of 1958, farmers' realized net income was at an annual rate of \$13.2 billion, up 22 percent from the first half of 1957. The revised rate for the second quarter (April through

June), at \$13.6 billion, is the highest quarterly rate since 1953.

In the first 8 months of 1958, farmers' cash receipts from marketings totaled nearly \$19.5 billion. This was about \$1.9 billion or 10.5 percent more than in the corresponding period last year. Prices received by farmers during the same period averaged 6 percent above last year, and the volume of marketings was about 4 percent greater.

Sources of Increase

The \$1.9 billion increase was made up of approximately \$1.1 billion in higher cash receipts from livestock and livestock products and approximately \$800 million increase from crops.

The increase in livestock cash receipts, 10 percent above last year, was due mostly to higher average prices for cattle, hogs, chickens, and eggs. The increase in crop receipts (12 percent) was due mostly to higher cash receipts from wheat, sorghum grain, potatoes, oranges, and cotton.

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Outlook

New records in total crop production and perhaps in per acre yields seem in sight for 1958. Big harvests will put pressure on farmers' prices this fall and some further decline is likely.

Farm Income

Realized net of farm operators continues above last year. The boost is coming from higher prices, larger Soil Bank payments, and increases in marketings. The annual rate of realized net in the first 3 quarters of 1958 is estimated at about \$13 billion, nearly a fifth above a year earlier.

Livestock

Prices of feeder cattle are likely to continue well above last year all through the fall, although they may decline seasonally. Fed cattle prices are expected to hold near year-earlier levels.

Hog prices will decline seasonally the next 2 months. Slaughter will run close to year-earlier levels, since the 1958 spring pig crop was only 2 percent larger than the 1957 crop and the gain was in early farrowings.

Dairy

Milk production continues a little below last year. Prices to farmers so far in 1958 have averaged about 3 percent under last year. If production this year remains about the same and prices are lower, cash receipts may be reduced somewhat from the high 1957 figure.

Eggs

Any further seasonal price rise for eggs this fall is likely to be small. Because of the 10 percent increase in the number of chicks raised, the laying flock this fall probably will rise above that of a year earlier. The lay per bird probably will also be somewhat higher.

Seasonal price rises for turkeys also are likely to be small. Storage stocks

are large. Though the total turkey crop is down 4 percent from last year, the big late hatch means supplies for slaughter during the holidays will be above a year earlier.

Broiler marketings are declining seasonally, but are likely to remain above a year earlier through the rest of 1958. Demand also is declining from the seasonally strong summer level. Prices are likely to remain low the rest of this year.

Feed

Prospective feed grain production for 1958 is 151 million tons, topping last year's record by 8 million tons. With a 60 million ton carryover expected, the total feed supply would exceed the 1952-56 average by 9 percent.

Feed requirements are likely to rise next year since the number of grain-consuming livestock should be up about 5 percent. Even in this event, however, the huge crop will exceed use, probably resulting in a one-fourth increase in carryover.

Supplies of other feeds are also large. Pastures are good over most of the country and the hay supply is a record. The record soybean crop and increases over 1957 in production of cottonseed and peanuts will mean larger production of oilseed meal.

Wheat

Prices are running farther below the loan rate than at this time last year and they may continue to do so for the rest of this marketing year. The main reasons are the huge crop—up 53 percent from 1957—and the relatively large amount of wheat grown on acreage outside the allotment program.

Oilseeds

Total of oilseeds, led by the record soybean crop, is up 16 percent from 1957. Lard production also will be up while butter output will be about the same.

Soybean Supply in 1958-59 May Exceed Outlets

Soybean supplies are almost certain to exceed considerably probable market outlets during the 1958-59 marketing year which began October 1.

As of September 1, production from the record 24.4 million acres planted to soybeans this year was indicated at 561 million bushels, 81 million bushels over last year's record crop.

1959 Carryover

Although domestic and export demand for soybeans probably will rise to a new peak in 1958-59, carryover stocks on October 1, 1959, are expected to be at a new high. This record high, moreover, will probably be sharply above the 20 million bushel carryover estimated for October 1, 1958.

Both acreage and output have increased quite steadily in recent years. The anticipated 1958 record production is 17 percent larger than last year's crop. It is almost 90 percent larger than the 10-year average.

If farmers carry out early season intentions, about 23.4 million acres will be harvested for beans. This would be 13 percent more than in 1957. Indications on September 1 pointed to a yield of 24.0 bushels per acre, compared with the 1957 record of 23.1 bushels and the average of 20.3 bushels.

Prior to the 1957-58 season, farm prices had consistently averaged above support levels and carryover stocks had been consistently low. The Commodity Credit Corporation takeover of 1957-crop beans on May 31, 1958, totaled about 44 million bushels. Of this amount, 30 million bushels were sold by mid-September. The season average price received by farmers for their 1957-crop beans averaged at about the national average support price of \$2.09 per bushel.

Farm prices during most of the 1958 soybean harvesting season are likely to average near the \$2.05 per bushel received last fall. The 1958 support rate of \$2.09 per bushel, unchanged from last year, will tend to set a floor under the market.

The size of foreign crops will, of course, be another factor in the price picture later in the season. However, reasonably reliable production estimates for Mediterranean olive oil, African peanuts, and Indian and Chinese oilseeds will not be available for several months.

Soybean exports, following the up-trend of recent years, likely will continue to increase in 1958-59. They may total around 100 million bushels. Exports from the 1957 crop probably set a new record of around 87 million bushels. Our best customers were Western Europe, Japan, and Canada.

Foreign and domestic demand in 1958-59 are expected to be relatively strong again. But competition in world markets will remain keen for exportable supplies continue heavy in some foreign countries.

The seasonal variation in soybean prices has been less pronounced in recent years. Principal reason is that production has expanded faster than market outlets have increased. This has meant that it's no longer as profitable as in previous years to store beans looking for recovery from harvest time low.

Soybean prices this fall are likely to dip slightly under the support rate but probably will return to near the loan level later in the season. However, prices during most of the marketing year probably will not exceed the loan level by any substantial margin, unless the fats and oils situation changes greatly.

Supply

Assuming an October 1, 1958, carryover of 20 million bushels (14 million in the hands of CCC) and a 1958 crop of 561 million, total supply in 1958-59 would be 581 million bushels. This would be 91 million bushels, or nearly 19 percent, above last year's peak.

The outlook for soybean meal currently appears more favorable than for oil. This probably will encourage a heavy crush of soybeans, perhaps as

much as 360 million bushels. This would be about 5 million more than estimated for 1957-58.

The requirements for soybean meal should be higher in 1958-59 because of an anticipated 3 percent increase in high-protein feed consuming animal units. In addition the feeding rate of protein feeds per animal unit should continue upward.

A crush of 360 million bushels would produce nearly 4.0 billion pounds of crude soybean oil and 8.5 million tons of soybean cake and meal. If this crush materializes, the oil output would be well in excess of probable domestic oil needs, and the quantity available for export would be substantially above 1957-58 figures.

Crushing Capacity

The crushing capacity of the soybean industry has expanded significantly during the past season. It is now estimated at a minimum of 400 million bushels annually. This would be at least 30 million bushels above the 1957-58 estimate.

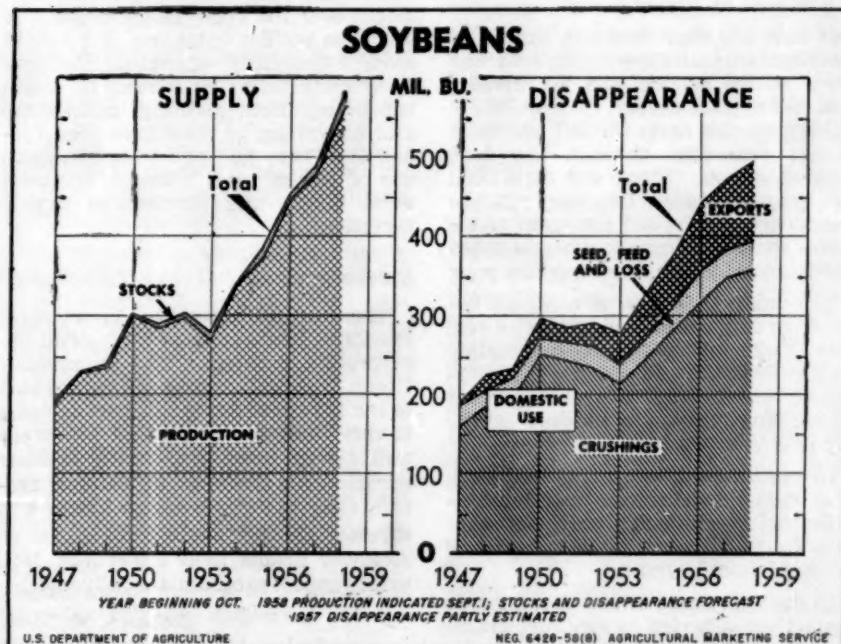
Estimated seed requirements for the large acreage expected in 1958 may total about 35 million bushels.

Exports, crushings, and use for seed account for most of the total disappearance. If estimated requirements for export and for seed are substantially accurate, about 445 million bushels would be crushed or carried over on October 1, 1959. Most of the carryover is likely to be in CCC hands.

During the 1958-59 marketing year, output of two competitors, cottonseed oil and lard, is expected to increase about 9 and 12 percent respectively (135 million and 285 million pounds).

If the soybean crush turns out as large as the probable meal demand indicates, about 200 million pounds more of soybean oil would be produced. Population increase should take a total of about 125 million more pounds of the three food fats. This would leave about 500 million pounds more available for export.

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Sorghum Grains Indicate New Production Record

For the second consecutive year—for the fourth time in 5 years—sorghum grains promise to set a new production record for the United States.

As of September 10, the Crop Reporting Board forecast a 1958 production of 579 million bushels, 3 percent above the 1957 record of 562 million and 3.5 times the 1947-56 average.

Per Acre Yields

These record-breaking prospects are primarily the result of a trend toward higher yields per acre, especially during the last 2 years. The 1958 per-acre yield forecast on September 10 was 34.7 bushels, nearly 6 bushels above the 1957 per-acre yield record. The 1957 mark had been over 6 bushels above the prior record of 1950.

The 1958 bumper yield is the result of the best moisture supply in years, the use of improved hybrids on about half the acreage, and the planting of a relatively high proportion of the crop in irrigated or humid areas.

So far this year moisture supply in the major sorghum producing area, the Great Plains States, was far greater than in any recent year. The moisture buildup started early in 1957 and continued, generally, through the 1958 growing season. There was little need last year and even less this year to divert acreage planted for grain to silage or forage. Normally drought takes a substantial toll in this high risk area.

The pump irrigation of sorghum became an important factor by the late 1940's and continued to expand rapidly until at least the mid-1950's. It is estimated that by 1957 about 15 percent of the sorghum grain acreage in the Great Plains was irrigated.

In the drought years 1955 and 1956, when dryland yields were poor, but irrigated yields remained high, the production from irrigated land approached the total from dryland.

In dryland areas of the Great Plains the acreage planted to sorghum grains in 1958 declined quite sharply from the

previous year, because farmers shifted from sorghums back to wheat. However, there was little change in the amount of sorghum acreage under irrigation. Moreover, sorghum acreage also held near the 1957 level in the more humid eastern sections of the Great Plains and in most States farther east.

Rapid expansion in the use of hybrid sorghum seed in 1957 and again in 1958 exerted a great influence on level of yield. In the western Great Plains, about two-thirds of the irrigated acreage and one-third of the dryland was planted with sorghum hybrids this year.

In the more humid sections of the eastern Great Plains and many States to the east, about half the acreage was planted with sorghum hybrids. California and Arizona were also trying hybrids. Various field or plot tests in many States have generally shown the approved hybrids outyield the standard varieties as much as 40 percent, but generally in the 15 to 25 percent range.

Of course, there have been improvements over the years in other cultural practices besides irrigation and hybrid seed. Generally speaking, farmers have much better equipment for seedbed preparation, planting, cultivating, and harvesting of sorghums than formerly. There has also been increased use of commercial fertilizer, chemical weed killers and mechanical drying facilities.

Marketing

These great advances in cultural practices, however, have intensified the marketing problem. The Commodity Credit Corporation took delivery of half of the 1957 production. Export demand is very limited and most of the grain remains in inventory. With another bumper crop this year, it is almost certain that the Government stocks will increase sharply again next spring as sorghum grains held under the 1958 price support program are delivered.

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PUBLIC HEARINGS MUST PRECEDE VEGETABLE MARKETING PROGRAMS

Second of two articles

The basic purpose of a marketing agreement and order program for fruit and vegetable growers is to make marketing more orderly by stabilizing supplies, thereby benefiting both grower and consumer.

But before any such program can be considered by the Secretary of Agriculture, the majority of producers and handlers likely to be affected must submit to the U. S. Department of Agriculture a proposal covering the respective commodities, geographical area, committee organization, method or type of regulation, and inspection and certification provisions. Then the industry must request a public hearing conducted by the federal Board of Hearing Examiners.

Exceptions

After the hearing, the USDA publishes a recommended decision allotting time for filing exceptions; a final decision is published only after these have been considered.

If a marketing agreement is decided upon, it is submitted to the handlers for signature, and a proposed marketing order to growers for a referendum. If the vote is favorable, the Secretary issues the marketing order making the program terms mandatory on all handlers of the commodity.

The program is administered locally by a committee. Details of the setup of the committee vary with the provisions of a particular agreement and order. Sometimes the committee has representatives of both growers and handlers, sometimes all members are growers.

There may also be two committees—one of growers, the other of handlers. Generally, when that happens, the grower-committee administers the order, and the handler-committee acts as advisor. But in any event, committeemen are nominated by growers and handlers and are appointed by the Secretary.

Cost of the local administration of marketing agreement programs is borne by the affected industry. All assessments are levied on handlers. Funds collected in excess of expenses are returned or credited to individual handlers on a pro-rata basis.

Perhaps the most important duty of any administrative committee is to recommend to the Secretary of Agriculture appropriate regulation of shipments. Under the program the committee must consider specified crop and market information in arriving at its recommendation. If it is approved by the Secretary, he issues the appropriate order which then has the full force of law.

A marketing agreement program may become inoperative either because a majority of growers and handlers no longer desire it, or because the price of the affected commodity rises above parity. When the latter occurs, certain regulatory provisions must be suspended.

The program remains in effect, however, until a majority of the producers decides to terminate it. The Secretary also can end a program if he finds it no longer carries out effectively the purposes of the Act.

Imports

A marketing agreement program for a domestic commodity does not directly regulate its imports. However, since 1954, an amendment to the Agricultural Marketing Agreement Act of 1937, on which all such programs are based, has required that whenever specified domestically produced commodities are regulated by grade, size, quality, or maturity pursuant to the Act, the same or equivalent restrictions must be placed upon imports of such commodities.

These commodities are: Tomatoes, avocados, limes, grapefruit, green peppers, Irish potatoes, cucumbers, eggplant, and mangoes.

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Mill Use of Wool Is Declining

Mill use of apparel wool reached a record high, both in total figures and in per-capita use, in this country during 1946. Since then, as the chart below indicates, it has trended sharply downward.

During the last 3 years, average annual mill use of apparel wool was 3 percent below that of the immediate pre-war years 1935-39. On a per-capita basis, it was down 25 percent.

Why the sharp decline during a time when economic activity and consumer purchasing power generally trended upward?

A major reason is competition from other fibers, particularly manmade. Rayon and acetate have been major manmade competitors until recently. They are still major competitors, but in addition several noncellulosic fibers have been introduced in recent years.

There are, however, numerous other factors. One is the shift toward more casual, functional, lighter weight clothing and greater use of central heating. Less material is used in the lighter garments. A second reason is that imports of wool manufacturers have risen since World War II. Age groups are a third factor.

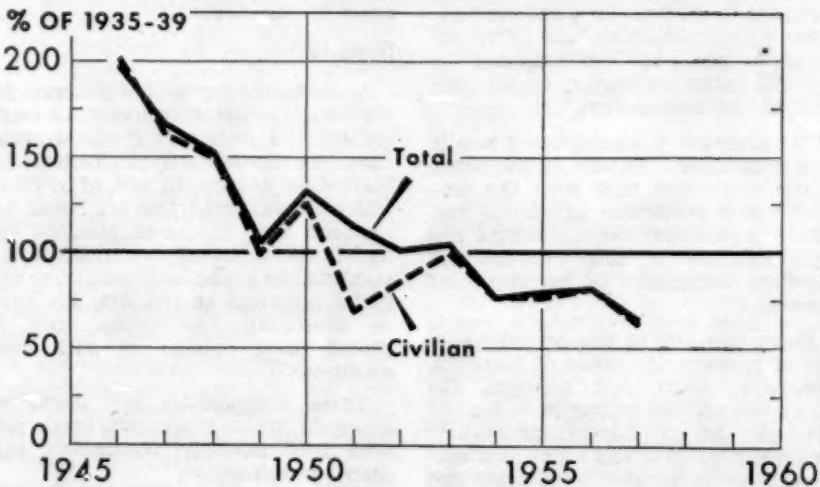
The proportion of children and older people has been increasing and neither group requires as much clothing as people of working age. Finally, there have been changes in the geographic distribution of the population. There has been a trend toward suburban living in recent years.

What about the future? Population increases alone will add considerably to the total demand for fiber. But will wool share in the increase? The answer will depend on relative prices and costs, research, and promotion by the industry.

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PER CAPITA MILL USE OF APPAREL WOOL *United States*



"Bert" Newell's Letter

Last month I attended some meetings in Canada. I'm always happy to visit our neighbors to the north and this time it worked out so I could spend a little more time than usual. Consequently, I enjoyed the visit even more than usual.

The major purpose of my trip was to attend some meetings held at the University of Manitoba at Winnipeg. Our purpose there was to compare notes and discuss common problems and methods of estimating agricultural production. Actually, we do have many of the same kinds of problems.

Our methods of meeting the demands for service and our ideas about how to strengthen and improve the service are very close together too. I suppose that this is natural because when you get right down to the facts, if it wasn't for the customs station, it would be pretty difficult to tell when you left North Dakota and entered Manitoba; or left Quebec and stepped over the line into New York State.

Now I suppose I might go on and tell you about the technical side of our meetings, but I think other things might be of more interest.

I couldn't help stopping once in a while on our trip to talk with folks about crops, or stepping out to look at a field of wheat, or oats, or potatoes. For the most part, the crop season in the central part of Canada hasn't been as good as our own. The wheat crop this year is much smaller than usual. You see, the drought that hit us in the northern part of Montana and North Dakota really hurt their crop in Saskatchewan and Manitoba.

In the Red River Valley, though, I saw some pretty nice fields of wheat, oats, and potatoes. It is a beautiful agricultural country through Minnesota and South Dakota up to Winnipeg.

The meetings were held at the University of Manitoba. It was estab-

lished in 1877 and, like most universities, it is growing rapidly. Most of the main buildings are of stone and grouped around one large quadrangle very attractively landscaped. The grass in the north country always impresses me—I didn't see a single sprig of crab grass in several acres of beautiful green. They use lots of flowers, too. How I wish I could get my petunias, zinnias, snapdragons, and my old standby—marigolds—to bloom like they do.

Coming east from Winnipeg and crossing Ontario and into Quebec we enjoyed the wonderful lake country and the big woods. We cut across a corner of the Algonquin Park in Ontario and got a big kick out of feeding the deer our left-over lunch bread.

The flowers all along the way seemed to me to be unusually beautiful. Winnipeg has some beautiful gardens, and Ottawa is a beautiful city. Their Parliament Square is most impressive.

I could go on and on, but I guess the thing that always impresses me most when I go visiting in Canada is the friendly attitude of the people. Officially visiting with my counterpart, Mr. C. W. Parker, who heads up the Canadian crop and livestock reporting service, about agricultural estimating problems is just about like visiting with any of our own folks here in the States.

The farmer out in the field, the people at the gas station, and at the hotel, and everywhere were just as friendly as they could be. Men at the customs stations, the Royal Northwest Mounted (that's a colorful outfit), and all the rest were helpful, and you just couldn't ask for a nicer bunch of folks.

Wouldn't it be a wonderful thing if all of the people in all of the countries of the world could get along together on the same friendly, understanding basis. I recommend you go visiting sometime. I know you will be impressed and thoroughly enjoy a visit with our Canadian neighbors.



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Farmer's Share of Consumer's Food Dollar

July 1957-----	40 percent
June 1958-----	40 percent
July 1958-----	39 percent

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